

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

In the Matter of KCP&L Greater Missouri)	
Operations Company for Authority to File)	
Tariffs Changing the Steam QCA for)	<u>File No. HT-2012-0344</u>
Service Provided to Customers in its)	Tariff No. JH-2012-0601
Service Territory.)	

STAFF RECOMMENDATION

COMES NOW, the Staff (“Staff”) of the Missouri Public Service Commission (“Commission”) and for its *Staff Recommendation* states as follows:

1. On April 13, 2012, KCP&L Greater Missouri Operations Company (“GMO”) filed with the Commission one (1) tariff sheet bearing an issue date of April 13, 2012, and an effective date of June 1, 2012, to add the quarterly cost adjustment (“QCA”) for the first quarter of 2012. The adjustment is required by GMO’s QCA Rider, which the Commission approved in Case No. HR-2005-0450, and modified in Case Nos. HR-2009-0092 and HR-2010-0028, for steam service on and after July 1, 2009.

2. On April 16, 2012, the Commission ordered Staff to file its Staff Recommendation no later than May 14, 2012.

3. As indicated in the Staff Memorandum, attached as Appendix A, Staff has reviewed the Company’s filing and has found GMO’s calculations related to the first quarter 2012 QCA compliance tariff sheet to be correct, and that the calculations satisfy the standards set forth on Sheet Nos. 6.6 through 6.10 of GMO’s tariff. The calculations are also consistent with previous GMO QCA filings.

4. Therefore, Staff recommends that the Commission approve the proposed tariff sheet as filed on April 13, 2012, to become effective June 1, 2012.

WHEREFORE, for the reasons indicated in this pleading and the attached Staff Memorandum, Staff recommends that the Commission issue an order approving the tariff sheet as filed by GMO.

Respectfully submitted,

/s/ Meghan McClowry

Meghan E. McClowry
Legal Counsel
Missouri Bar No. 63070

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been mailed, hand-delivered, transmitted by facsimile or electronically mailed to all counsel of record this 14th day of May, 2012.

/s/ Meghan McClowry

MEMORANDUM

TO: Missouri Public Service Commission Official Case File
Case No. HT-2012-0344, Tariff Tracking No. JH-2012-0601
KCP&L Greater Missouri Operations Company

FROM: Leon Bender, Utility Regulatory Engineer I
Michelle Bocklage, Rate & Tariff Examiner

/s/Lena Mantle 05/14/2012
Energy Unit / Date

/s/Meghan McClowry 05/14/2012
Staff Counsel Division / Date

SUBJECT: Staff Recommendation For **Approval** Of Tariff Sheet To Add The Quarterly Cost Adjustment For The First Quarter Of 2012 To The Quarterly Cost Adjustment Rider Of KCP&L Greater Missouri Operations

DATE: May 14, 2012

On April 13, 2012, KCP&L Greater Missouri Operations Company (GMO) filed with the Commission one (1) tariff sheet bearing an issue date of April 13, 2012, and an effective date of June 1, 2012, to add the quarterly cost adjustment (QCA) for the first quarter of 2012. The adjustment is required by GMO's Quarterly Cost Adjustment Rider, which the Commission approved in Case No. HR-2005-0450, and modified in Case Nos. HR-2009-0092 and HR-2010-0028, for steam service on and after July 1, 2009.

GMO's filing included the proposed tariff sheet and workpapers consisting of four worksheets showing its calculation of the QCA for the first quarter of 2012.

The procedure for the calculation of the QCA for steam service sales occurring on and after July 1, 2009, is set out in Sheet Nos. 6.6 through 6.10 of GMO's tariff, which are entitled "Quarterly Cost Adjustment Rider – Steam."

Staff reviewed the data and mathematical calculations GMO provided in its workpapers and found GMO's calculations related to the first quarter 2012 QCA compliance tariff sheet to be correct, and that the calculations satisfy the standards set forth on Sheet Nos. 6.6 through 6.10 of GMO's tariff. The calculations are also consistent with previous GMO QCA filings.

Staff therefore recommends that the Commission **approve** the following proposed tariff sheet, as filed on April 13, 2012, to become effective on June 1, 2012, as requested by GMO.

P.S.C. MO. No. 1

12th Revised Sheet No. 6.10 Canceling 11th Revised Sheet No. 6.10

Staff has verified that GMO is not delinquent on any assessment and has filed its 2010 annual report. GMO has been granted an extension until May 15, 2012 to file its 2011 annual report. GMO is current on its submission of its Surveillance Monitoring reports as required in 4 CSR 240-20.090(10) and its monthly reports as required by 4 CSR 240-3.161(5). Staff is not aware of any other matter pending before the Commission that affects or is affected by this tariff filing. Staff's recommendation for approval of the QCA change in this case is solely based on the accuracy of GMO's calculations and is not indicative of the prudence of the fuel costs included in the QCA.

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Case No. HT-2012-0344

AFFIDAVIT OF LEON C. BENDER

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

Leon C. Bender, of lawful age, on oath states: that he participated in the preparation of the foregoing Staff Recommendation in memorandum form, to be presented in the above case; that the information in the Staff Recommendation was provided to him; that he has knowledge of the matters set forth in such Staff Recommendation; and that such matters are true to the best of his knowledge and belief.



Leon C. Bender

Subscribed and sworn to before me this 14th day of May, 2012.

SUSAN L. SUNDERMEYER
Notary Public - Notary Seal
State of Missouri
Commissioned for Callaway County
My Commission Expires: October 03, 2014
Commission Number: 10942086



Notary Public

